

FILED
U.S. DISTRICT COURT
EASTERN DISTRICT OF TEXAS

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

MAR 05 2014

DAVID J. MALAND, CLERK
BY
DEPUTY _____

UNITED STATES OF AMERICA

§

§

v.

§

CRIMINAL NO. 6:13-CR-103

§

OLUFEMI SAMUEL SHITTU,

§

OLAMIGOKE AYARA, and

§

BABATUNDE MUSA ADEYEMI

§

FIRST SUPERSEDING INDICTMENT

THE UNITED STATES GRAND JURY CHARGES:

Count One

18 U.S.C. § 1349 (Conspiracy)

The Conspiracy

From in or about September 2012 to in or about April, 2013, in the Eastern District of Texas and elsewhere, **Olufemi Samuel Shittu, Olamigoke Ayara, and Babatunde Musa Adeyemi**, defendants, and others, known and unknown to the grand jury, did knowingly, willfully, and unlawfully conspire, combine, confederate, and agree with others known and unknown to the Grand Jury, to devise a scheme and artifice to defraud and for obtaining money and property in the approximate amount of \$1,500,000 of United Airlines, an airline company with offices and facilities in Houston and Beaumont, Texas, as well as numerous locations throughout the United States and foreign countries, by means of false and fraudulent pretenses and representations, and for the

purpose of executing such scheme or artifice, or to attempting to do so, did deposit or cause to be deposited matters or thing to be sent or delivered by the United States Postal Service or commercial interstate carriers, in violation of 18 U.S.C. § 1341.

Object of the Conspiracy

It was the object of the scheme that defendants and others would obtain merchandise and travel through the unauthorized use of frequent flier credits under the Mileage Plus program of United Airlines passengers, which the defendants well knew to have been obtained fraudulently and without consent,

Manner and Means of the Conspiracy

As part of the conspiracy and to effect the objects thereof, the defendants and co-conspirators would fraudulently reset the personal identification numbers of Mileage Plus customers and then access members' accounts. Once the members' accounts were accessed the conspirators would change the email and shipping addresses associated with the accounts to allow for the fraudulent redemption of member points without the knowledge or consent of the account owner.

The fraudulently acquired merchandise, including IPADS and other digital or electronic equipment, is then mailed through the United States Postal Service or commercial interstate carriers to various United States addresses, where the recipients are instructed to keep portions of the merchandise and then reship the package(s) to the conspirators. When the packages were ultimately shipped to the conspirators, the conspirators would utilize the addresses and names of next door neighbors and relatives or utilized business addresses of private mail services such as UPS stores in order to

further obscure the ultimate recipient of the merchandise. Conspirators and defendants **Olamigoke Ayara** and **Babatunde Musa Adeyemi** utilized such means to ultimately receive shipments of merchandise acquired by using fraudulently acquired Mileage Plus member points.

When the conspirators used the fraudulently acquired member points for travel, flight arrangements and hotel reservations would be booked shortly before travel dates to avoid the actual owners of the Mileage Plus accounts from learning of the unauthorized activity and alerting United Airlines of the unauthorized use. Conspirator and defendant **Olufemi Samuel Shittu** took four flights and had five hotel stays booked with stolen Mileage Plus points in such a manner and conspirator and defendant **Babatunde Musa Adeyemi** also traveled using stolen Mileage Plus points.

As part of the scheme and conspiracy the conspirators redeemed or attempted to redeem Mileage Plus points equivalent to approximately \$2,836,000 and ultimately fraudulently obtained goods and services of approximately \$1,500,000.

All in violation of 18 U.S.C. § 1349.

Count Two

18 U.S.C. § 1341 (Mail Fraud)
18 U.S.C. § 2 (Aiding & Abetting)

From in or about September, 2012, through in or about April, 2013, in the Eastern District of Texas and elsewhere, **Olufemi Samuel Shittu**, **Olamigoke Ayara**, and **Babatunde Musa Adeyemi**, defendants, aided and abetted by others known and unknown to the grand jury, did knowingly devise and intend to devise a scheme and

artifice to defraud and for obtaining the money and property of United Airlines, by means of false and fraudulent pretenses and representations knowing at the time that such pretenses and representations would be and were false when made, said scheme and artifice so devised and intended to be devised as follows:

Introduction

United Airlines, an international air carrier, has a frequent flier awards program known as United Airlines Mileage Plus which allows passengers to accumulate credits for future purchases of merchandise, airline travel, and hotel stays. Passengers access the account via the Internet using a unique Personal Identification Number (PIN).

The Scheme

As part of said scheme and artifice, defendant, and others known and unknown to the grand jury, utilize social engineering information from various social media websites to obtain sufficient personal information about a Mileage Plus passenger or customer. Using the customer identification defendants and others then call the customer service phone number and request that the customer's PIN be reset. With the PIN reset the defendant and others then can access the account, change email and shipping addresses, and begin to utilize mileage points for unauthorized merchandise purchases and travels. As a further part of the scheme merchandise which is purchased by the defendants, including laptop and tablet computers and Ipods, is generally shipped to an unwitting intermediary who is told the merchandise is being grouped for forwarding overseas for donation to United States troops or some similar cause. The intermediary then forwards the merchandise by mail or commercial interstate carrier to a co-conspirator, including

defendants **Olamigoke Ayara** and **Babatunde Musa Adeyemi**, to be used for their own benefit or to be forwarded to other co-conspirators. Defendants **Olufemi Samuel Shittu** and **Babatunde Musa Adeyemi**, used fraudulently acquired Mileage Plus points to obtain airline tickets for their own travel.

As a result of said scheme and artifice to defraud, defendants and others known and unknown to the grand jury, made unauthorized purchases of merchandise and travel of approximately \$1,500,000, causing a loss to United Airlines of that amount and a gain and benefit to the defendants.

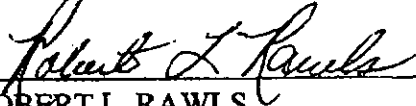
On or about September 10, 2012, in the Eastern District of Texas and elsewhere, **Olufemi Samuel Shittu, Olamigoke Ayara, and Babatunde Musa Adeyemi**, defendants, for the purpose of executing the aforesaid scheme and artifice, did knowingly cause to be delivered by the United States Postal Service or by commercial interstate carrier according to the directions thereon, a package containing fraudulently acquired merchandise, to an address in Fruitvale, Texas.

All in violation of 18 U.S.C. §§ 1341 and 2.

A TRUE BILL

CAT
GRAND JURY FOREPERSON

JOHN M. BALES
UNITED STATES ATTORNEY


ROBERT L. RAWLS
ASSISTANT U. S. ATTORNEY

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NOTICE OF PENALTY

Count One

Violation: 18 U.S.C. § 1349 (Conspiracy)

Penalty: Not more than twenty (20) years imprisonment; a fine of not more than \$250,000. A term of supervised release of not more than five (5) years.

Special Assessment: \$100.00

Count Two

Violation: 18 U.S.C. §§ 1341 & 2 (Mail Fraud; Aiding and Abetting)

Penalty: Not more than twenty (20) years imprisonment; a fine of not more than \$250,000. A term of supervised release of not more than five (5) years.

Special Assessment: \$100.00